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WALTER WILHELM LAW GROUP
A Professional Corporation
Riley C. Walter #91839
Matthew P. Bunting #306034
Danielle J. Bethel #315945
205 East River Park Circle, Ste. 410
Fresno, CA 93720
Telephone: (559) 435-9800
Facsimile: (559) 435-9868
E-mail: rileywalter@w2lg.com

Chapter 9 Counsel

MCCORMICK BARSTOW, LLP
Timothy L. Thompson #133537
Mandy L. Jeffcoach #232313
Nikole E. Cunningham #277976
7647 N. Fresno Street
Fresno, CA 93720
Telephone: (559) 433-1300
Facsimile: (559) 433-2300
E-mail: mandy.jeffcoach@mccormickbarstow.com

District Counsel

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION

In re

TULARE LOCAL HEALTHCARE
DISTRICT, dba TULARE REGIONAL
MEDICAL CENTER,

Debtor.

Tax ID #: 94-6002897
Address: 869 N. Cherry Street
Tulare, CA 93274

CASE NO. 17-13797

DC No.: WW-1

Chapter 9

Date: October 25, 2017
Time: 11:00 a.m.
Place: 2500 Tulare Street
Fresno, CA 93721
Courtroom 13
Judge: Honorable René Lastreto II

ORDER GRANTING DEBTOR'S MOTION FOR AUTHORIZATION TO REJECT
EXECUTORY CONTRACT [HEALTHCARE CONGLOMERATE ASSOCIATES, LLC]

At Fresno, in the Eastern District of California.

The Motion for Authorization to Reject Executory Contract (Healthcare
Conglomerate Associates, LLC) filed herein by Tulare Local Healthcare District on

ORDER GRANTING DEBTOR'S MOTION
FOR AUTHORIZATION TO REJECT
EXECUTORY CONTRACT (HCCA)

1 October 10, 2017 duly came on for hearing on October 19, 2017 at which time it was
2 fully argued and submitted for decision.

3 On October 25, 2017 the Court announced its decision in open court.
4 Appearances were entered by Riley C. Walter, Tim Thompson, and Niki Cunningham
5 for Tulare Local Healthcare District; by Marc A. Levinson and Hagop T. Bedoyan for
6 Healthcare Conglomerate Associates, LLC; Gregory S. Powell for the United States
7 Trustee's Office; Gerald Sims for BETA; Diane Stanfield for Navigant Cymetrix; Craig
8 Rust for California Department of Public Health and Abigail Van Veen O'Brient for
9 Wilmington Trust.

10 In announcing the Court's decision, the Court made its findings of fact and
11 conclusions of law pursuant to FRCP as incorporated by FRBP 7052.

12 Having stated the basis for jurisdiction, having concluded this is a core matter,
13 having stated the basis for its decision on the record, after full and careful consideration
14 of the law and evidence and for good cause shown, the Court ordered as follows:

15 IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

16 1. The Motion for Authorization to Reject Executory Contract (Healthcare
17 Conglomerate Associates, LLC) is granted; and

18 2. The contracts described as Management Services Agreement, Interim
19 Joint Operating Agreement, Joint Operating Agreement and Option Agreement, all
20 dated as of May 29, 2014 are hereby rejected pursuant to Sections 901 and 365.

21 The effective date of this Order shall be the earlier of November 27, 2017 or when the
22 California Department of Public Health approves the District's administrative plan in the
23 absence of Healthcare Conglomerates Associates, LLC.

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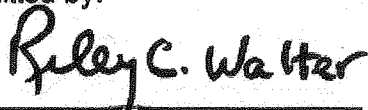
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1 3. Nothing in this Order shall be interpreted to in any way impair or affect the
2 California Department of Public Health's authority to regulate the Debtor in accordance
3 with the requirements of California law.

4 Submitted by:

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6 Riley C. Walter, Attorneys for Debtor,
7 Tulare Local Healthcare District dba
8 Tulare Regional Medical Center

9 Approved as to form only.

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11 Marc A. Levinson, Attorneys for
12 Healthcare Conglomerate Associates, LLC

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15 Craig Rust, Attorney General's Office,
16 State of California, Department of
17 Public Health
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25 IT IS SO ORDERED

26 Date: _____, 2017

27 Honorable René Lastreto II
28 United States Bankruptcy Judge


1 3. Nothing in this Order shall be interpreted to in any way impair or affect the
2 California Department of Public Health's authority to regulate the Debtor in accordance
3 with the requirements of California law.

4 Submitted by:

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6 _____
7 Riley C. Walter, Attorneys for Debtor,
8 Tulare Local Healthcare District dba
9 Tulare Regional Medical Center


10 Approved as to form only.

11
12 _____
13 Marc A. Levinson, Attorneys for
14 Healthcare Conglomerate Associates, LLC

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16 _____
17 Craig Rust, Attorney General's Office,
18 State of California, Department of
19 Public Health

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24 Dated: Nov 01, 2017

By the Court

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26 _____
27 René Lastreto II, Judge
28 United States Bankruptcy Court